

to time they have been subjected to official regulation and control, It was through them, too, that a conquering general usually made his demand on a city for a financial contribution. Some years ago apparently as a result of the visit of representatives of the Affiliated Chambers of Commerce of the Pacific Coast, a national organization of chambers of commerce was formed and for a time its annual meetings were of considerable importance. However, although their influence on the government has grown, the merchants and bankers of China still have no predominating part in shaping the political destinies of the nation. Sometimes through their chambers of commerce merchants have had an important role in local politics, and now and then have been a factor to be reckoned with nationally. Their financial contributions have been essential to the success of many of the generals and warring factions, notably the present Nationalist Government, and more than once have been granted with conditions attached. Probably more often than not, however, the contributions have been forced, a kind of irregular tribute for which the only return has been a temporary reprieve from additional exactions or from torture and death.

Western example is largely responsible for a new banking structure. Huge foreign institutions, the chief of which has been the (British) Hongkong and Shanghai Banking Corporation, have played so important a part in financing loans of the government and in overseas commerce that it would have been strange had the Chinese not organized banks of the Occidental type. The Bank of China and the Bank of Communications have come into being, both of them originally state institutions and coming down from the last few years of the Ch'ing dynasty. Both

have branches
in many cities, both have had decidedly checkered
careers, due in
part to their political connections, and they have
been rivals, at
times bitterly so. In each the government now
appoints only a
minority of the directors, and both are very
prominent in the
financial world. In 1928 the Nationalist
Government brought into
existence a new Central Bank designed to be more
fully a state
institution than either of the others. A good many
banks have
been founded by provincial governments. All too
often these were
the tools of war lords, who through them issued
floods of paper
money, much of it worthless but for a time kept in
circulation by
force. In addition, a large number of banks of a
modern Western